

result in additional jobs. It will increase the personal savings rate by three-tenths of 1 percent, which in turn will lower interest rates. According to estimates done by the economists at the Heritage Foundation, the favorable economic impact of the tax relief would increase overall disposable income by \$45 billion in 2004. That means that the average family of four would see an additional \$670 in income—just from the positive economic impact. So not only do married families gain, not only do their children gain, but the entire country gains. They gain more jobs, better jobs, and higher wages because of this marriage tax relief legislation.

The marriage tax relief legislation I bring to the floor today amounts to just 3 percent of the total budget surplus over the next 5 years. It amounts to just 10 percent of the non-Social Security surplus over the next 5 years. It amounts to just 42 percent of the new spending provided for in this year's budget over the next 5 years. Finally, it amounts to just one third of the tax cut that has been allotted to the Finance Committee for tax cuts over the next 5 years in this year's budget. By any comparison or estimation, this marriage tax penalty relief is fiscally responsible.

This bill does all these things for America's working families while preserving every cent of Social Security's surplus. These tax cuts do not have to pit America's families against America's seniors, nor does it extend a tax cut in a fiscally irresponsible manner. These tax cuts fit in this year's budget, along with the other Republican priorities that we have already passed for education, health care, and small businesses. Our priorities add up to what's good for America, and our numbers add up to what is fiscally responsible.

It is time we stopped playing the politics of division. We do not have to pit one type of family against another type of family or families against seniors to do what is right. It is time we divorce the marriage penalty from the Tax Code once and for all. For too long Washington has been an unclaimed dependent in millions of America's families. I urge all my colleagues to support the Marriage Tax Relief Reconciliation Act of 2000.

Mr. President, the earned income credit, or EIC, is an important anti-poverty tool. It gives an incentive for families to help themselves. It provides low-income workers with a tax credit, thereby increasing their real wages. It gives poor and middle-class families an extra incentive to help themselves. While the program is by no means perfect, it has been one of the more effective Government programs in pushing families above the poverty line.

The structure of the EIC is the largest source of the marriage penalty for low-income families. Our bill addresses this inequity by increasing the beginning and ending income phaseout levels of the credit for married couples by

\$2,500. Our proposal goes to families, just as the original EIC program was intended to do.

Mr. President, I move to raise a point of order against section 4, from page 5, line 12, through page 7, line 3, of the bill, that it violates section 313 of the Budget Act.

Mr. President, I furthermore move to waive all points of order under the budget process arising from the earned-income credit component in the Senate bill, the Moynihan substitute, the House companion bill, and any conference report thereon.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Democratic manager, Senator MOYNIHAN, has agreed to give his opening statement at a subsequent time. If it is agreeable to the Senator from Delaware, we have some people who are anxious to catch planes and do other things. They have very brief speaking assignments, and they would like to offer some amendments at this time.

Mr. ROTH. I think the Senator from Texas has been seeking the floor.

Mrs. HUTCHISON. Mr. President, I ask the distinguished minority whip, are you proposing to go to amendments right away? The only issue is, I want to make a statement on the bill of which I am a major cosponsor.

Mr. REID. We recognize the work you have done on this. Senator MOYNIHAN has agreed to give his statement at a later time. I am told Senator HARKIN wants to speak for 3 or 4 minutes, Senator FEINGOLD for 3 minutes, and Senator KENNEDY for 5 minutes. They would like to leave after that.

It is my understanding the Senator has a relatively long statement. If they could offer their amendments, then we would be happy to have you speak.

Mrs. HUTCHISON. I thank the Senator.

Mr. ROTH. That is satisfactory.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the motion to waive the Budget Act be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO COMMIT

Mr. FEINGOLD. Mr. President, I send a motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] moves to commit the bill to the Committee on Finance with instructions that the Committee report it back along with legislation that would substantially extend the solvency of Social Security and Medicare.

Mr. FEINGOLD. Mr. President, this debate, like the debate on the estate tax that it follows, allows the Senate to talk about priorities. Yes, some sensible reforms are in order to eliminate the marriage penalty for middle-income Americans. But before we enact a major tax bill like this, we should consider whether the first and highest priority for using our surplus should not be extending the life of Social Security and Medicare.

Yesterday, the Senate considered the Harkin-Feingold amendment that would have extended the life of Social Security. Some did not like the way that Senator HARKIN and I proposed to extend the life of Social Security. But few will deny that we should do something to keep Social Security and Medicare solvent.

As I noted yesterday, starting in 2015, the cost of Social Security benefits is projected to exceed payroll tax revenues. Under current projections, this annual cash deficit will grow so that by 2036, Social Security will pay out a trillion dollars more in benefits than it takes in in payroll taxes. By 2037, the Trust Fund will have consumed all of its assets.

Similarly, this year, the Medicare Hospital Insurance Trust Fund is taking in \$21 billion more in income than it pays out in Medicare benefits, and its Trustees project that it will continue to do so for 17 years. But by 2025, they project that the Medicare Trust Fund will have consumed all of its assets.

We as a Nation have made a promise to workers that Social Security and Medicare will be there for them when they retire. We should start planning for that future.

The Social Security Trustees' actuarial report shows a Social Security trust fund shortfall of 1.89 percent of payroll. That is, to maintain solvency of the Social Security Trust Fund for 75 years, we need to take actions equivalent to raising payroll tax receipts by 1.89 percent of payroll or making equivalent cuts in benefits.

Thus, we can fix the Social Security program so that it will remain solvent for 75 years if we make changes now in either taxes or benefits equivalent to less than 2 percent of our payroll taxes. But if we wait until 2037, we would need the equivalent of an increase in the payroll tax rate of 5.4 percentage points, to set the program right. The choice is clear: Small changes now or big changes later. That is why Social Security reform is important, and why it is important now.

And that's why President Clinton was right when in his 1998 State of the Union Address, he said, "What should we do with this projected surplus? I have a simple four-word answer: Save Social Security first."

Beginning in 1999, the government began to run surpluses in the non-Social Security budget. If we continue current law and don't dissipate these surpluses, they will continue into the